

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-EIGHTH LEGISLATURE

FIRST SPECIAL SESSION
October 23, 2017 to November 6, 2017

SECOND REGULAR SESSION
January 3, 2018 to May 2, 2018

THE GENERAL EFFECTIVE DATE FOR
FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
FEBRUARY 5, 2018

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
AUGUST 1, 2018

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH THE MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Augusta, Maine
2018

residential heating assistance to low-income individuals.

Sec. 2. Effective date. This Act takes effect October 1, 2018.

Effective October 1, 2018.

**CHAPTER 400
S.P. 621 - L.D. 1685**

**An Act To Create The Barbara
Bush Children's Hospital
Registration Plate**

**Be it enacted by the People of the State of
Maine as follows:**

Sec. 1. 29-A MRSA §456-H is enacted to read:

**§456-H. The Barbara Bush Children's Hospital
registration plates**

1. The Barbara Bush Children's Hospital registration plates. The Secretary of State, upon receiving an application and evidence of payment of the excise tax required by Title 36, section 1482, the annual motor vehicle registration fee required by section 501 or 504 and the contribution provided for in subsection 3, shall issue a registration certificate and a set of The Barbara Bush Children's Hospital special registration plates to be used in lieu of regular registration plates.

2. Design; review; vanity plates. The Secretary of State, in consultation with The Barbara Bush Children's Hospital, shall determine a design for The Barbara Bush Children's Hospital special registration plates. The joint standing committee of the Legislature having jurisdiction over transportation matters shall review the final design prior to manufacture of the plates. The Secretary of State shall issue upon request The Barbara Bush Children's Hospital special registration plates that are also vanity plates. The Barbara Bush Children's Hospital special registration plates are issued in accordance with the provisions of this section and section 453.

3. Contribution; credit to funds. In addition to the regular motor vehicle registration fee prescribed by law for the particular class of vehicle registered, the initial contribution for The Barbara Bush Children's Hospital special registration plates is \$20, which must be deposited with the Treasurer of State and credited as follows:

- A. Ten dollars to The Barbara Bush Children's Hospital to support ongoing pediatric programs;
- B. Nine dollars to the Highway Fund for administrative and production costs; and

C. One dollar to the Specialty License Plate Fund established under section 469.

4. Renewal fee. In addition to the regular motor vehicle registration fee prescribed by law, the annual renewal contribution for The Barbara Bush Children's Hospital special registration plates is \$15, which must be deposited with the Treasurer of State and credited as follows:

- A. Ten dollars to The Barbara Bush Children's Hospital to support ongoing pediatric programs;
- B. Four dollars to the Highway Fund for administrative and production costs; and
- C. One dollar to the Specialty License Plate Fund established under section 469.

5. Payment for costs associated with the production and issuance of the first 2,000 plates. The sponsor of The Barbara Bush Children's Hospital special registration plates shall provide \$50,000 to the Secretary of State for costs associated with the production and issuance of The Barbara Bush Children's Hospital registration plates. The Secretary of State shall deposit these funds in the Specialty License Plate Fund established under section 469. In accordance with section 468, subsection 3-A, the Secretary of State shall provide 2,000 credit receipts to the sponsor to provide to each supporter who contributed \$25. A credit receipt may be used only to obtain one set of special registration plates.

6. Transfer of fees. On a quarterly basis, the Secretary of State shall transfer the revenue from the issuance and renewal of The Barbara Bush Children's Hospital special registration plates to the Treasurer of State for deposit and crediting pursuant to subsections 3 and 4.

7. Duplicate plates prohibited. The Secretary of State shall issue The Barbara Bush Children's Hospital special registration plate in a unique 3-number and 3-letter combination sequence. Vanity plates may not duplicate vanity plates issued in another class of plate.

8. Date of first issue. The Secretary of State shall issue the first The Barbara Bush Children's Hospital special registration plate by October 1, 2018.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

**SECRETARY OF STATE, DEPARTMENT OF
Administration - Motor Vehicles 0077**

Initiative: Allocates funds for the costs of manufacturing The Barbara Bush Children's Hospital specialty registration plates.

HIGHWAY FUND	2017-18	2018-19
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All Other	\$0	\$51,962
HIGHWAY FUND TOTAL	\$0	\$51,962

See title page for effective date.

**CHAPTER 401
S.P. 721 - L.D. 1888**

**An Act To Amend the
Workers' Compensation Laws
Governing Affiliated
Self-insurance Groups**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 39-A MRSA §403, sub-§3, as amended by PL 2011, c. 98, §1 and c. 180, §1, is further amended to read:

3. Proof of solvency and financial ability to pay; trust. The employer may comply with this section by furnishing satisfactory proof to the Superintendent of Insurance of solvency and financial ability to pay the compensation and benefits, and depositing cash, satisfactory securities, irrevocable standby letters of credit issued by a qualified financial institution or a surety bond with the superintendent, in such sum as the superintendent may determine pursuant to subsection 8, the Treasurer of State to be listed as beneficiary of the bond or the irrevocable standby letter of credit and the bond or the irrevocable standby letter of credit to be conditional upon the faithful performance of this Act relating to the payment of compensation and benefits to any injured employee. In case of cash or securities being deposited, or drawn on a surety bond or letter of credit, the cash or securities must be placed in an account at interest by the Treasurer of State, and the accumulation of interest on the cash or securities so deposited must be credited to the account and may not be paid to the employer to the extent that the interest is required to secure the employer's self-insurance obligations, including the amount needed to support any present value discounting in the determination of the amount of the deposit. Any security deposit must be held by the Treasurer of State in trust for the benefit of the self-insurer's employees for the purposes of making payments under this Act. If the superintendent determines that the self-insurer has experienced a deterioration in financial condition that adversely affects the self-insurer's ability to pay obligations under this Act, the security amount may be in excess of the minimum amount required by this Title.

⚭ Except as provided in subsection 5, paragraph A-1, a self-insurer may, with the approval of the Superintendent of Insurance, use the following types of secu-

rity to satisfy the self-insurer's responsibility to post security required by the superintendent: a surety bond; an irrevocable standby letter of credit; cash deposits and acceptable securities; and an actuarially determined fully funded trust. For purposes of this section, "tangible net worth" means equity less assets that have no physical existence and depend on expected future benefits for their ascribed value. Unless disapproved by the superintendent pursuant to paragraph C, subparagraphs (5) and (6), a group self-insurer that maintains a trust actuarially funded to the confidence level required by the superintendent may use an irrevocable standby letter of credit as follows: only in an amount not greater than the difference between the funding to the required confidence level and funding to the confidence level reduced by 10 percentage points; only as long as the trust assets are not used as collateral for the letter of credit; and only as long as the value of trust assets, excluding the value of the letter of credit, is at least equal to the present value, evaluated to the 65% confidence level, of ultimate incurred claims, claims settlement costs and, if determined necessary by the superintendent, administrative costs.

A. ~~An individual~~ A self-insurer providing an irrevocable standby letter of credit as security shall file with the Superintendent of Insurance a letter of credit, on a form approved by the superintendent, copies of any agreements or other documents establishing the terms and conditions of the employer's or group's reimbursement obligations to the financial institution issuing the letter of credit, together with copies of any required security agreements, mortgages or other agreements or documents granting security for the employer's or group's reimbursement obligations and any other agreements that contain conditions, restrictions or limitations of any kind upon the employer or group, the superintendent or the Treasurer of State. The form of letter of credit approved by the superintendent must include, but is not limited to, all terms specifically required by this subsection and all terms reasonably required to secure the payment of compensation and benefits to claimants as required under this Act.

In order to issue an irrevocable standby letter of credit as security under this paragraph, a financial institution or its parent company must either:

- (1) Maintain a long-term unsecured debt rating of at least A by either Moody's Investors Service, Inc. or Standard and Poor's Corporation;
- (2) Maintain a short-term commercial paper rating within the 3 highest categories established by Moody's Investors Service, Inc. or Standard and Poor's Corporation; or
- (3) Be certified in writing by the Superintendent of Financial Institutions to be well capi-